

Message Text

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PAGE 01 CAPE T 00987 141553Z

ACTION AF-10

INFO OCT-01 ISO-00 COME-00 SP-02 USIA-06 AID-05 EB-07

NSC-05 EPG-02 TRSE-00 SS-15 STR-04 OMB-01 CEA-01

CIAE-00 INR-07 NSAE-00 L-03 /069 W

-----141719Z 064341 /46

R 141525Z JUN 77

FM AMEMBASSY CAPE TOWN

TO SECSTATE WASHDC 6266

INFO AMCONSUL DURBAN

AMCONSUL JOHANNESBURG

AMEMBASSY PRETORIA

LIMITED OFFICIAL USE CAPE TOWN 0987

E.O. 11652: N/A

TAGS: BEXP, EGEN, ELAB, EIND, SF

SUBJECT: AMERICAN CHAMBER OF COMMERCE IN SOUTH AFRICA

1. I MET BRIEFLY WITH US CITIZEN MANAGING DIRECTORS OF SOUTH AFRICAN SUBSIDIARIES OF ELI LILLY AND BULOVA JUNE 2 TO RECEIVE THEIR REPORT ON SURVEY THEY TOOK ON FORMING AMERICAN CHAMBER OF COMMERCE.

2. FORTY-EIGHT US AFFILIATES WERE POLLED. FOLLOWING WERE RESPONSES TO KEY QUESTIONS: (A) WOULD YOU LIKE TO SEE AN AMCHAM FORMED IN SOUTH AFRICA? - YES 38, NO 6. (B) DO YOU FEEL STATE DEPARTMENT ENDORSEMENT IS A PREREQUISITE TO FORMING A LOCAL AMCHAM CHAPTER? - YES 17, NO 26.

3. LILLY AND BULOVA REPS SAID THAT, DESPITE ASSURANCES BY DEPT AND CONGEN JOHANNESBURG THAT WE WERE NEUTRAL, THEY SENSED THEY HAD RECEIVED DEFINITE NEGATIVE SIGNALS. THEY THOUGHT THAT IF THEY WERE CLEARLY ADVISED THAT IT WOULD BE CONTRARY TO HIGHER US INTERESTS, NONE OF

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PAGE 02 CAPE T 00987 141553Z

FIRMS POLLED WOULD SUPPORT AMCHAM.

4. I SAID THAT OUR POSITION WAS NEUTRAL. THE DECISION TO FORM A CHAMBER WAS A MATTER FOR THEM TO DECIDE. IF THE DECISION IS TO GO AHEAD, THE EMBASSY WOULD FOLLOW THEIR WORK AS IT DOES WITH OTHER AMERICAN ORGANIZATIONS IN THE COMMUNITY.

5. ALTHOUGH LILLY AND BULOVA REPS INDICATED THEY WOULD HAVE PREFERRED A SOMEWHAT MORE FORTHCOMING RESPONSE, THEY FELT THAT THIS POSITION WAS PROBABLY SUFFICIENT TO PROCEED WITH FORMATION OF AMCHAM. THEY ASKED IF I WOULD BE WILLING TO BE NAMED HONORARY PRESIDENT AS CUSTOMARY IN OTHER COUNTRIES. THEY SAID THAT INVOLVED "NAME ON LETTERHEAD AND ANNUAL SPEECH." I REPLIED I WOULD HAVE TO CONSULT DEPT ON THIS ASPECT.

6. COMMENT: AMERICAN FIRMS FEAR THEY ARE ENTERING PERIOD OF COOLER ATMOSPHERE AND HAVE SENSE OF BEING CAUGHT BETWEEN LOCAL PRESSURES AND DEMANDS OF PARENT OFFICES. THEIR INSTINCT IS TO BAND TOGETHER TO PROTECT AGAINST OFFICIAL HARASSMENT THAT MAY BE COMING. ALTHOUGH TIMING SEEMS PARTICULARLY AWKWARD AT THIS STAGE IN US-SA RELATIONS, I DO NOT THINK WE SHOULD COUNSEL AGAINST FORMATION OF AMCHAM. WE SHOULD AT SAME TIME AVOID IMPRESSION OF OFFICIAL COLLABORATION IN THIS STEP. THUS BELIEVE I SHOULD ADVISE GROUP THAT I AM UNABLE TO ACCEPT HONORARY PRESIDENCY. THE REASON I COULD PROPERLY GIVE IS THAT US HAS POLICY OF NEITHER ENCOURAGING NOR DISCOURAGING INVESTMENT. IN KEEPING WITH THIS POLICY, WHICH IS UNIQUE TO SOUTH AFRICA, IT WOULD BE IN APPROPRIATE FOR ME TO BECOME TITULAR HEAD OF GROUP REPRESENTING AMERICAN INVESTORS. DOES DEPT CONCUR IN THIS RESPONSE?BOWLDER

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Message Attributes

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Control Number: n/a
Copy: SINGLE
Sent Date: 14-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
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